

MINUTES
NATURAL RESOURCES COMMISSION

March 4-5, 2004

Lansing Center
333 E. Michigan
Lansing
-and-
Stevens T. Mason Building
530 W. Allegan
Lansing

PRESENT FOR THE COMMISSION

Mary Brown
Keith Charters, Chairman
Bob Garner
Jerry Hall
John Madigan
Frank Wheatlake

Absent for the NRC

Bill Parfet

PRESENT FOR STAFF

K. L. Cool, Director
Peter Manning, Legal Counsel
Dennis Knapp, Special Assistant to the Director
George Burgoyne, Resource Management Deputy
Jim Ekdahl, Upper Peninsula Field Deputy
Kelli Sobel, Administrative Deputy
Department Staff

COMMITTEE OF THE WHOLE

Chairman Charters called the Committee of the Whole meeting of the Natural Resources Commission (NRC) to order at 3:00 p.m. on Thursday, March 4, 2004. The Committee of the Whole is a working session of the NRC.

Island Lake Shooting Range Update

Dennis Knapp, Special Assistant to the Director, presented a brief update on Island Lake. At the April 1, 2004 NRC meeting, a report on the sound test results conducted on January 17, 2004 in sites near the Range will be presented. Scott Hansen, the professional sound tester who conducted these tests, will be available on that date. He reported that lead testing has been done over the first two years of Range operation. The test results were favorable. Lead monitoring will continue throughout the year and then will proceed with the prescribed five-year schedule. The final lead report will be available through the Department of Environmental Quality.

Commissioner Garner questioned whether lead pollution levels from shooting ranges have ever caused groundwater contamination. **Mr. Knapp** responded no because pH levels in Michigan keep lead in an insoluble form, which keeps it from seeping into the groundwater.

Status of Yellow Perch in Lake Michigan

David Clapp, Charlevoix Fisheries Research Station, Fisheries Division, presented a status of yellow perch in Lake Michigan. Yellow perch assessment activity is occurring throughout the lake, with numerous agency and university personnel sampling perch utilizing various gear types in different seasons. Selected parts of this information were presented: adult relative abundance; population age and size structure; and recruitment. Coordinated regulation of yellow perch harvest has been an important part of perch management in recent years. He reported that a lakewide assessment plan is being developed by the Yellow Perch Task Group (YPTG) to formalize the standard procedures utilized to sample yellow perch throughout Lake Michigan. Discussion ensued.

Additional details on this issue may be obtained through DNR's Fisheries Division.

Report On 2003 Deer Season Results And Disease Surveillance

Dr. Steve Schmitt, Veterinarian, DNR, presented an update on bovine tuberculosis (TB) surveillance in Michigan. In 2003, 17,257 wild deer were tested with 32 testing positive. So far in 2004, 144 deer have been tested with zero testing positive for TB. Based on the surveillance and testing results, **Dr. Schmitt** reported there is a statistically significant decreasing trend in prevalence from 1995 to 2003, and that TB prevalence decreased from 2.6% in 2002 to 1.7% in 2003. He was pleased to report the decrease in disease prevalence and believes the disease control strategy is working. However, he said that it is important to continue, as there is still progress to be made.

Dr. Joan Arnoldi, State Veterinarian, Department of Agriculture, reported that over 17,800 cattle herds have been tested in Michigan (over 887,000 animals). No TB was detected in any herds outside the TB area. A herd in Barry County was found to have TB, but not the Michigan strain of TB. Since 1997, she reported that 32 cattle herds and 1 captive cervid herd have been TB test positive. New strategies are needed to lower these test positive numbers. **Dr. Arnoldi** was pleased to report that Michigan has achieved split-state status and that the final rule is expected to be issued soon. She said it is no time to change the direction or slack off on efforts to eradicate TB. We appear to be winning the battle, she said, but it is not time to stop the fight.

Commissioner Garner asked what efforts were being taken to monitor chronic wasting disease (CWD) in the United States. **Dr. Arnoldi** responded that she was pleased that the case of CWD in Washington state was traced, and Michigan has reviewed all Holstein imports to see if any were from Washington. They were not. She stated that the U.S. Department of Agriculture is working hard on a plan to elevate surveillance levels.

Quality Deer Management in DMU 118

Commissioner Garner said that the DNR did a survey in DMU 118 (Clare County) relative to quality deer management (QDM). The survey results did not meet the 66 percent approval rate criteria. As a result, a proposed regulation will be issued For Information Only in April and Action in May to eliminate mandatory QDM in DMU 118. This issue will be discussed during the meeting of the NRC Policy Committee on Wildlife Issues on April 1.

* * *

The Committee of the Whole meeting adjourned at 4:15 p.m.

REGULAR MEETING OF THE NATURAL RESOURCES COMMISSION

Chairman Charters called the regular meeting of the Natural Resources Commission (NRC) to order at 4:30 p.m.

PUBLIC APPEARANCES

Perry Russo, Quality Deer Management Association, attended a meeting in Lexington, Kentucky discussing deer management issues. Discussion included educating and communicating with hunters and landowners on strategies, specifically antler restrictions. Another focus of the meeting was communication between hunters and biologists, and hiring biologists who can and do communicate.

Kristina Spaulding supported freedom of choice deer hunting. She believes that with the combination deer license, both sides of the issue are covered and should satisfy those for and against mandatory antler restrictions. Ms. Spaulding is 16 years old and had a very successful deer hunting season. The NRC congratulated her on her success.

Brian Preston, National Wildlife Federation, recommended a full audit of all Michigan captive cervid facilities be done as part of a chronic wasting disease (CWD) prevention strategy. He believes that the captive cervid industry and the licensed Michigan facilities present a primary risk of introducing CWD to Michigan. **Mr. Preston** stated that professional wildlife management agencies must continue to be the primary managers of wildlife since management directly impacts free ranging wildlife, even if classified as livestock.

Marc Yenkel, Quality Deer Management Association, supports mandatory antler restrictions in DMU 118. He recommended that the NRC grant DMU 118 a one year extension on mandatory antler restrictions, and the DNR resurvey after the 2004 hunting season with the survey only allowing an option of yes or no to continue the mandatory program. Mid-Michigan Quality Deer Management Association offered to contribute \$2000 to conduct this survey. He believes that several hunters are leaving Michigan to hunt in a state that has mandatory restrictions because the quality of white-tailed deer are better there. He supports mandatory antler restrictions to keep the tourism in the State. **Mr. Yenkel** noted that he enjoyed waterfowl season this year.

Ed Spinazzola, Mid-Michigan Quality Deer Management Association, reported that harvest data shows that antler restrictions work and produce what the antler rule should produce. He believes that conditions in DMU 118 are much better, and habitat is regenerating due to reduced deer density.

Randy Schuette, United Sportsman's Alliance, opposes mandatory quality deer management.

Jenness Weigand, Brighton, reported her frustration with the ongoing sound issues from the Island Lake Shooting Range. She also expressed concern with the potential of lead contamination from usage of lead shot at the range.

Rick Weigand, Brighton, stated that the DNR needs to be responsible for the operation of the Island Lake Shooting Range and asked that immediate actions be taken to resolve the noise issues at the range. He also recommended stopping lead use to avoid contamination.

Lillian Hopkins, Brighton, said the noise levels from the Island Lake Shooting Range have impacted the enjoyment level of her home and property. She recommended that the sporting clays be halted until sound tests are received. She also expressed concern with the use of lead shot at the range.

MINUTES

Page 4

March 4-5, 2004

Marilyn Carr, Brighton, is concerned with lead use at the shooting range, specifically the effects on the surface waters near the range.

Doug Carr, Brighton, stated that the Island Lake Shooting Range is becoming more popular and use is increasing. Recently, there was a weekend shoot that began earlier in the morning than normal. His personal sound testing equipment indicated that the levels were between 68 and 72 decibels.

Guy Dobies, Brighton, expressed concern that lead use at the Island Lake Shooting Range will soon exceed allowable contamination levels.

Lynn Gould, Mid-Michigan Sportsmans Alliance, opposes mandatory quality deer management in DMU 118 and supports "freedom of choice" hunting.

Harold Bobo, Mid-Michigan Sportsmans Alliance, requested that their group be invited to any meetings or discussion relative to quality deer management, specifically in DMU 118 and be part of any decision-making.

Janet Howard Washington, Michigan Horse Council, invited the NRC and DNR staff to participate in the upcoming events of the Council. She provided dates and locations of those upcoming programs.

Jean Ligon, Michigan Horse Council, Chair, Legislative, Environmental Land Use Committee, invited the NRC and DNR staff to participate in upcoming events and to become familiar with their organization's programs. **Commissioner Wheatlake** complimented them on their programs.

George Scull, property owner in DMU 118, supports mandatory quality deer management in DMU 118 and said that deer harvest in the area is showing bigger and better quality bucks.

Ron Spaulding, United Sportsmans Alliance, said that Wisconsin data indicates that chronic wasting disease (CWD) is most prevalent in bucks two years old and older. Therefore, he recommended that the NRC not allow any additional point restrictions statewide for a minimum of 10 years to that future date, and facts collected can determine how to prevent the spread of CWD in Michigan.

Ellen Nitz, Brighton, commented that gunshot noise has been determined to be more annoying than steady noise, such as from highways. **Commissioner Madigan** asked what she thought of the DNR hiring a noise expert. **Ms. Nitz** thinks that is good.

Denise Rice, Brighton, requested that noise and potential lead contamination be addressed at the Island Lake Shooting Range.

Janice Dobies, Brighton, said that the noise levels at the Island Lake Shooting Range are increasing and requested that the sporting clay ranges be shut down.

Tom Jeffery, United Sportsmans Alliance, recommends that a moratorium on mandatory QDM in DMU 118 be imposed for the same time period as QDM was granted on an experimental basis. This would allow the division and in-fighting of hunters to "cool down." He would like to utilize that time to getting youth involved in the sport.

John Ormsbee, Afton Deer Management, Inc., introduced the new corporation, with the mission to cultivate and maintain a healthy and well managed deer herd for the enjoyment of generations of hunters through education, planting, and cultivating of crops for the sole purpose of feeding the deer herd and providing nutrition for a stronger deer population, and for select clear cutting to promote new foliage for deer consumption. He indicated that their members will participate in the NRC process in the future.

Leon Hank, Eastern UP Wildlife Coalition, requested that the NRC continue the quality deer management experimental program in DMU 118 beyond its five-year period. He believes that: the survey should have been done at the end of the five years rather than when it was done; that shutting down the process will send "the wrong message" to those who dedicate their time to deer management and habitat improvement; a majority of hunters support quality deer management; the buck-to-doe ratio changes as a result of the experiment; and if the program stops, the DNR will lose its ability to conduct research on a long running quality deer management experiment.

Barbara Stockford, an Island Lake Shooting Range user, supports the Range remaining open. She said it is a state-of-the-art range she and her children utilize. She has attended Township meetings held where the issues of the Range have been discussed. She does not believe all the information provided at these meetings are accurate.

* * *

The meeting adjourned at 6:10 p.m. on Thursday, March 4, 2004 and reconvened at 8:35 a.m. on Friday, March 5, 2004.

DIRECTOR'S REPORTS

Director's Action Items

Director Cool intends to sign all Director's Actions Items on the Agenda.

Director Cool announced that he will not attend the April 1, 2004 NRC meeting as he will be touring the Tri-Centennial State Park and harbor development project in Detroit. **Dennis Knapp** will attend on his behalf on that day.

Clean Michigan Initiative (CMI) Audit Results

Director Cool reported that a preliminary audit was released relative to the DNR's CMI programs. He indicated that it was a "no-fault" audit and complimented staff for their management of the programs.

NRC Policy Committee on Finance and Administration – Meeting Report

Commissioner Wheatlake, Committee Member, reported that the NRC Policy Committee on Finance and Administration met on February 23, 2004 in Lansing. Commissioner Parfet (Committee Chair), and Commissioner Wheatlake were present for the Committee. Chairman Charters was also present.

Kelli Sobel, Administrative Deputy, reported that, in 2002, Proposal 2 was passed which allowed the DNR to invest trust funds in equities. This Policy Committee worked for nearly a year-and-a-half to develop an asset allocation plan – to determine the best method to recommend to the State Treasurer how the funds should be invested. In June 2003, the NRC proposed those recommendations to the Treasurer, and the Treasurer began investments in September 2003 in an attempt to get the DNR to a 25/75 equities-to-short-term investment ratio on some of the

funds. She stated that the Treasurer has the ultimate authority to determine investments. An update was provided on investments at the February 23, 2004, Committee meeting, specifically on the total value of funds, status of the ratios of equity and fixed, and the difference between the actual and the target. A fund value of \$583 million exists (including operating funds), leaving approximately \$452 million available to invest in equities. At this point, \$337 million has been invested, leaving \$114 million in common cash or short-term investments earning between 1.1 and 2.5 percent interest. A detailed discussion was held on why the goals were not met. Additional meetings will be held with the State Treasurer on these issues. The Committee and Ms. Sobel are confident that the common goal is consistent between them and the State Treasurer. She believes that, on the whole, this has been a positive move bringing good returns on the investments made. **Commissioner Wheatlake** stated the investments are slightly behind schedule, however, the timing of initiating the investments was impeccable because of the direction of market has gone since. Discussion ensued.

Ms. Sobel reviewed year-end fund balances. She pointed out funds of concern and those that will be watched. Further review of funds and explanations of fund lapses and why will be discussed at the next Committee meeting. **Commissioner Wheatlake** emphasized the need to educate constituents on the appropriations process.

The Committee reviewed the 2005 budget recommendations. The major recommendation is that Payments in Lieu of Taxes (PILT) transfers to revenue sharing and becomes a component of revenue sharing program. PILT will be entirely funded with General Funds. Additional discussions with the Legislature need to occur relative to the PILT program. **Chairman Charters** urged communications with the Legislators on this issue.

Ms. Sobel continued reviewing additional program funding changes as well as position vacancies including funded vacancies. Between 1996 and 2004, the Department's employee count is down 10 percent. **Chairman Charters** stated that the downward trend should be of concern. There are funded vacancies that cannot be filled due to the hiring freeze. Parks staffing is the greatest concern as they are doing more with 27 percent less staff than in 1996.

The Committee reviewed 2003 Goals. Significant progress was made on all except devising a method of protecting the Game and Fish Trust and other large funds. She reviewed the progress that was made. Goals for 2004 were adopted for the Committee including these topics: continue to monitor the investment strategies as discussed; getting a long-term solution to PILT; changes to the ORV statute; continue to look at devising a method to protect the Game and Fish Trust and other Funds; looking at potential fee increases; obtaining authorities to spend restricted fund balances; and continue to act as the audit committee to review the audits for the Auditor General.

The Committee recommended the following as an NRC Goal for 2004: The NRC and DNR will work with both the Governor's Office and the Legislature to develop a long-term solution to PILT.

The next Committee meeting is scheduled for April 30 in Lansing. Detailed minutes of the February 23, 2004, Committee meeting will be available once approved on April 30.

NRC POLICY COMMITTEE ON WILDLIFE ISSUES – MEETING REPORT

Commissioner Garner, Committee Chair, reported that the NRC Policy Committee on Wildlife Issues met on Thursday, March 4 at noon in Lansing. Items of discussion were: Waterfowl Habitat Management with an overview presented by staff; the preference system for elk permits; proposed bear hunting boundary changes; and bobcat trapping in the northern Lower Peninsula. He said that trappers are interested in utilizing surplus lands in the northern Lower Peninsula. The issue of double-crested cormorants on publicly owned lands was also discussed.

Commissioner Garner noted that the Committee would be discussing the possibility of changing to a one-buck system at a future meeting.

APPROVAL OF MINUTES – FEBRUARY 5-6, 2004 NATURAL RESOURCES COMMISSION MEETING

Commissioner Garner made a motion, supported by **Commissioner Wheatlake**, for approval. Motion unanimously carried.

ELK DRAWING SELECTION PROCEDURES, WILDLIFE CONSERVATION ORDER, AMENDMENT NO. 2 OF 2004

Commissioner Garner made a motion, supported by **Commissioner Hall**, for approval. Motion unanimously carried.

BEAR MANAGEMENT UNIT BOUNDARY CHANGE, WILDLIFE CONSERVATION ORDER, AMENDMENT NO. 3 OF 2004

Commissioner Garner made a motion, supported by **Commissioner Hall**, for approval. Motion unanimously carried.

DIRECTOR SEARCH COMMITTEE REPORT

Jerry Harris, DNR's Human Resources Chief, reported that 17 applications for the position were received prior to the March 2, 2004 deadline. Of the 17 applicants, three were incomplete and removed from the process. Fourteen applications were forwarded to the Director's Search Committee (Chairman Charters, Commissioner Garner and Commissioner Wheatlake). One of the applicants requested their name remain confidential unless he receives an offer for an interview. Mr. Harris provided the names and current employment of the 13 applicants. The Committee will next narrow down the applicants and select those who will be interviewed. On April 19, the NRC will conduct open interviews and the new Director will be selected shortly thereafter.

* * *

UP Deer Regulations Hearing

Discussion ensued relative to whether a Upper Peninsula (UP) deer regulations hearing would be held again this year as has been done in the past several years. It was decided that the hearing will be held on May 8 in Marquette in conjunction with the meeting of the UP Habitat Workgroup. The NRC commended **Commissioner Madigan** for his active participation in deer groups' meetings across the UP.

Commissioner Reports

Commissioner Garner received several phone calls and letters regarding DNR matters. He participated in a meeting in the UP where groups came together to discuss forming a UP Habitat Conservancy.

Commissioner Madigan received several phone calls and letters regarding DNR matters. He also had a great deal of "good" dialog with UP sportsman groups.

Commissioner Hall received several phone calls and letters regarding DNR matters, specifically regarding DMU 118 and the Island Lake Shooting Range. He stated he will be pleased when the Island Lake issue is resolved.

Commissioner Wheatlake attended the NRC Policy Committee on Finance and Administration meeting, and is looking forward to spring and all it brings.

Chairman Charters reported that he spent most of the past month in Florida visiting friends, golfing and fishing.

* * *

The meeting adjourned at 9:36 a.m.

Approved: _____

Keith J. Charters, Chairman

K. L. Cool, Director